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September 16, 2010

Jocelyn Boyd  
Chief Clerk/Administrator  
Public Service Commission of South Carolina  
101 Executive Center Dr., Suite 100  
Columbia, SC 29210

Re: Application of Progress Energy Carolinas, Incorporated for Authority to Issue Securities Pursuant  
to Revolving Credit Agreement  
Docket No. 2010-312-E

Dear Ms. Boyd:

The Office of Regulatory Staff ("ORS") has reviewed this application. Progress Energy Carolina's ("PEC") proposed three-year authority of \$750 million would backstop commercial-paper borrowing and replace the current 5¼-year \$450 million revolving credit agreement due to expire June 28, 2011. PEC would qualify for Level 2 in the Revolving Credit Pricing Grid shown on page 11 of Exhibit A to the application. PEC's finances indicate that it is well able to support this proposed agreement. If PEC were to need to draw funds without three days' notice, it would pay higher percentage in the form of the Alternate Base Rate. Otherwise, the lower Eurodollar Rate would apply as explained on page 3 of Exhibit A, but PEC would retain the ability to convert the higher rate to lower one later.

Based on its review, ORS has no objection to the issuance of debt proposed in this filing.

Sincerely,



John W. Flitter

JWF/dhc

cc: Dan F. Arnett, Chief of Staff, SC ORS  
Nanette Edwards, Chief Counsel, SC ORS  
Dr. James Spearman, Exec. Asst. to SCPSC  
Len Anthony, Esquire  
Patricia Kornegay-Timmons, Esquire  
Shannon Bowyer Hudson, Esquire, SC ORS